

MEMORANDUM OF AGREEMENT

This is a Memorandum of Agreement dated as of the 24 day of June, 2009 between Northern Kentucky University, a public body of the Commonwealth of Kentucky with offices at Louis B. Nunn Drive, Highland Heights, Kentucky 41076 (hereinafter referred to as the "University") and James C. Votruba (hereinafter referred to as the "President" or "President Votruba").

RECITALS

The University and President Votruba entered into an Agreement dated December 17, 1999, (the "December 17, 1999 Agreement") attached hereto as Exhibit "A" providing for the acquisition of an insurance policy on the life of the President payable to the University and the payment of certain premiums therefor by the University, and further providing that the University shall pay to the President the sum of Forty-Five Thousand Dollars (\$45,000) per year for ten (10) consecutive years commencing August 1, 2008, and continuing on each August 1 thereafter until the full sum of Four Hundred Fifty Thousand Dollars (\$450,000) shall have been paid.

The University and President Votruba entered into an Agreement dated June 16, 2003 (the "June 16, 2003 Agreement") attached hereto as Exhibit "B", providing for the acquisition of an insurance policy on the life of the President payable to the University and the payment of certain premiums therefor by the University, and further providing that the University shall pay to the President the sum of Thirty-Eight Thousand Five Hundred Dollars (\$38,500) per year for eleven (11) consecutive years commencing on the earlier of (a) the August 1 next coinciding with or following with the date of the President's death or (b) August 1, 2011, and continuing on each August 1 thereafter until the full sum of Four Hundred Twenty-Three Thousand Five Hundred Dollars (\$423,5000) shall have been paid.

The University and the President entered into an employment contract (the "President's Employment Contract") dated June 5, 2006, whereby the University employed President Votruba as President and a tenured professor of the University to serve as the Chief Executive Officer of the University, which contract was extended by Memorandum dated September 10, 2008, and said President's Employment Contract now terminates June 30, 2012.

The parties desire to confirm, clarify and, to the extent provided herein, modify the three afore-described agreements between the University and President Votruba.

NOW THEREFORE, in consideration of these premises and of the mutual promises contained herein, the parties agree as follows:

1. The Recitals set forth above are incorporated herein by reference as if fully restated herein in their entirety.

2. a. The University has paid all of the premium payments required to be paid by it under the provisions of the December 17, 1999 Agreement and shall have no further obligation to make premium payments under the provisions of such Agreement, and the University may, but shall not be required to, surrender the insurance policy acquired under provisions of said Agreement.

b. The University has paid some of the premium payments required to be paid by it under the provisions of the June 16, 2003 Agreement and may, but shall not be required to, make any further premium payments under provisions of said Agreement, and the University may, but shall not be required to, surrender the insurance policy acquired under provisions of said Agreement.

3. a. The University is obligated and shall pay to the President, his heirs and/or designated beneficiaries or successors, pursuant to the December 17, 1999 Agreement, annual payments commencing August 1, 2008, and continuing on the first day of August of each year thereafter, through and including August 1, 2017, in the amount of Forty-Five Thousand Dollars (\$45,000) per year for a total amount of Four Hundred Fifty Thousand Dollars (\$450,000).

b. The University is obligated and shall pay to the President, his heirs and/or designated beneficiaries or successors, pursuant to the June 16, 2003 Agreement, eleven (11) annual payments commencing on the earlier of (a) the August 1 next coinciding with or following the date of the President's death, or (b) August 1, 2011, and on the first day of August of each year thereafter, in the amount of Thirty-Eight Thousand Five Hundred Dollars (\$38,500) per year for a total amount of Four Hundred Twenty-Three Thousand Five Hundred Dollars (\$423,500).

4. Section 5.1.2 of the President's Employment Contract is amended to read in full as follows:

5.1.2 Life Insurance. Term life insurance is provided in an amount equal to the current base annual salary for all administrators. Payments to the President in accordance with the provisions of paragraphs 3a and 3b above and paragraphs 5a and 5b below shall not be deemed part of the President's current annual salary for purposes of this Section 5.1.2. The University shall provide no further or additional life insurance coverage for the benefit of President Votruba, as President of the University, during the term of his continued employment under, pursuant to, and during the term of the President's Employment Contract.

5. In addition to the payments by the University to the President as set forth under paragraphs numbered 3a and 3b above, the University shall pay to the President the following sums which also shall be in addition to the President's then current annual

salary:

a. With reference to the December 17, 1999 Agreement, but subject to the provisions of paragraph 5c pertaining to early termination of the President's Employment Contract:

\$40,000.00 on September 25, 2008 for the period of September 25, 2008 through September 24, 2009, (this sum has been paid)

\$40,000.00 on September 25, 2009 for the period of September 25, 2009 through September 24, 2010,

\$40,000.00 on September 25, 2010 for the period of September 25, 2010 through September 24, 2011, and

\$30,601.00 on September 25, 2011 for the period of September 25, 2011 through June 30, 2012.

b. With reference to the June 16, 2003 Agreement, but subject to the provisions of paragraph 5c pertaining to early termination of the President's Employment Contract:

\$40,000.00 on May 12, 2011 for the period of May 12, 2011 through May 11, 2012, and

\$5,370.00 on May 12, 2012 for the period of May 1, 2012 through June 30, 2012.

Notwithstanding that the University may elect not to pay the insurance premiums provided to be paid by it under the June 16, 2003 Agreement, such election shall not increase or precipitate the payments to be made by the University to the President under this paragraph 5b or paragraph 5a above.

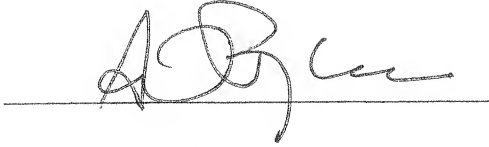
c. In the event that the President's Employment Contract is terminated by reason of death or for any other reason, by the University or by the President or by mutual agreement, prior to June 30, 2012, ("Early Termination") the University's obligation to make payments under paragraphs 5a and 5b after the date of Early Termination shall cease, the payment made for the period during which such Early Termination occurred shall be prorated between the parties and the University shall deduct from the payments to be made under the provisions of paragraphs 3a and 3b above the prorated share of such payment relating to the time from date of Early Termination until the earlier of June 30, 2012 or the date that the next payment under paragraphs 5a or 5b as applicable would have been due.

d. In the event that the term of the President's Employment Contract is extended or such contract is renewed by the University beyond June 30, 2012, there shall be no obligation of the University to continue to make payments under the

provisions of paragraphs 5a or 5b by reason of such extension or renewal unless the University and the President shall otherwise expressly agree in writing.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

Northern Kentucky University

A handwritten signature in cursive script, appearing to read 'A. Pyles', is written over a horizontal line.

By:

Anna Dale Pyles
Chairperson of the Board

A handwritten signature in cursive script, appearing to read 'James C. Votruba', is written over a horizontal line.

James C. Votruba, President

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